

**ND PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**INVESTMENT PERFORMANCE REPORT AS OF APRIL 30, 2005**

	April-05				March-05				December-04				September-04				Current	Prior Year	3 Years	5 Years
	Allocation		Month		Allocation		Quarter		Allocation		Quarter		Allocation		Quarter		Fiscal YTD	FY04	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2004	6/30/2004
LARGE CAP DOMESTIC EQUITY																				
Structured Growth																				
LA Capital	62,124,809	4.4%	4.5%	-1.93%	63,330,105	4.4%	4.5%	-1.12%	63,381,809	4.5%	4.5%	10.52%	57,289,937	4.4%	4.5%	-4.17%	2.71%	N/A	N/A	N/A
Total Structured Growth	62,124,809	4.4%	4.5%	-1.93%	63,330,105	4.4%	4.5%	-1.12%	63,381,809	4.5%	4.5%	10.52%	57,289,937	4.4%	4.5%	-4.17%	2.71%	19.20%	-5.87%	-7.07%
Russell 1000 Growth				-1.90%				-4.10%				9.17%				-5.23%	-2.66%	17.85%	-3.74%	-6.48%
Structured Value																				
LSV	68,909,006	4.8%	4.5%	-2.41%	70,589,763	4.9%	4.5%	1.39%	68,939,391	4.9%	4.5%	9.12%	63,142,110	4.8%	4.5%	3.11%	11.32%	29.44%	9.20%	8.31%
Russell 1000 Value				-1.79%				0.09%				10.38%				1.54%	10.17%	21.13%	2.96%	0.64%
Enhanced Russell 1000 Index																				
LA Capital	84,454,477	5.9%	6.0%	-2.40%	86,519,563	6.0%	6.0%	-0.98%	83,813,243	5.9%	6.0%	9.18%	76,718,414	5.8%	6.0%	-2.24%	3.15%	18.59%	-0.17%	N/A
Russell 1000				-1.84%				-1.91%				9.80%				-1.81%	3.81%	19.48%	-0.32%	N/A
Enhanced S&P 500 Index																				
Northern Trust	84,336,692	5.9%	6.0%	-1.95%	85,998,383	6.0%	6.0%	-1.90%	84,480,927	6.0%	6.0%	9.18%	77,325,237	5.9%	6.0%	-2.17%	2.75%	19.00%	-0.31%	N/A
Westridge	84,156,766	5.9%	6.0%	-1.87%	85,741,213	5.9%	6.0%	-2.09%	84,258,203	6.0%	6.0%	9.50%	77,034,816	5.9%	6.0%	-1.94%	3.17%	19.30%	-0.36%	N/A
Total Enhanced S&P 500 Index	168,493,458	11.8%	12.0%	-1.91%	171,739,596	11.9%	12.0%	-1.99%	168,739,130	11.9%	12.0%	9.34%	154,360,118	11.8%	12.0%	-2.13%	2.88%	19.81%	-0.24%	N/A
S&P 500				-1.90%				-2.15%				9.23%				-1.87%	2.90%	19.11%	-0.69%	N/A
S&P 500 Index																				
State Street	41,628,599	2.9%	3.0%	-1.90%	42,434,470	2.9%	3.0%	-2.12%	42,923,070	3.0%	3.0%	9.23%	39,268,327	3.0%	3.0%	-1.87%	2.92%	19.08%	-0.67%	-2.17%
S&P 500				-1.90%				-2.15%				9.23%				-1.87%	2.90%	19.11%	-0.69%	-2.20%
TOTAL LARGE CAP DOMESTIC EQUITY	425,610,349	29.9%	30.0%	-2.09%	434,613,497	30.1%	30.0%	-1.14%	427,796,643	30.2%	30.0%	9.44%	390,778,905	29.8%	30.0%	-1.59%	4.25%	20.38%	0.08%	-2.14%
S&P 500				-1.90%				-2.15%				9.23%				-1.87%	2.90%	19.11%	-0.69%	-2.20%
SMALL CAP DOMESTIC EQUITY																				
Manager-of-Managers																				
SEI	133,600,787	9.4%	10.0%	-5.52%	141,454,312	9.8%	10.0%	-5.09%	155,365,101	11.0%	10.0%	14.79%	135,169,121	10.3%	10.0%	-3.59%	-0.77%	33.33%	5.76%	N/A
Russell 2000 + 200bp				-5.56%				-4.86%				14.64%				-2.36%	0.57%	35.99%	8.43%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	133,600,787	9.4%	10.0%	-5.52%	141,454,312	9.8%	10.0%	-5.09%	155,365,101	11.0%	10.0%	14.79%	135,169,121	10.3%	10.0%	-3.59%	-0.77%	33.33%	5.76%	6.81%
Russell 2000				-5.73%				-5.34%				14.09%				-2.86%	-1.09%	33.36%	6.24%	6.63%
INTERNATIONAL EQUITY																				
Large Cap - Core																				
State Street	15,160,715	1.1%	1.0%	-2.30%	15,514,991	1.1%	1.0%	-0.17%	15,537,847	1.1%	1.0%	10.22%	26,805,666	2.0%	2.0%	-1.24%	6.17%	27.44%	0.42%	-1.44%
MSCI EAFE (1)				-2.35%				-0.17%				11.69%				-0.72%	8.10%	26.98%	-1.27%	-1.15%
Large Cap - Active																				
Capital Guardian	43,630,292	3.1%	3.0%	-2.62%	44,792,232	3.1%	3.0%	0.68%	44,441,060	3.1%	3.0%	10.34%	64,488,204	4.9%	5.0%	-1.48%	6.58%	25.40%	-1.15%	1.54%
LSV	42,669,334	3.0%	3.0%	-2.86%	43,874,952	3.0%	3.0%	3.57%	42,260,547	3.0%	3.0%	3.0%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Transition Account	80	0.0%	0.0%	N/A	(76)	0.0%	0.0%	N/A	(5,616)	0.0%	0.0%	0.0%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Bank of Ireland	14,851,018	1.0%	1.0%	-1.57%	15,071,735	1.0%	1.0%	-1.88%	15,341,679	1.1%	1.0%	16.02%	13,174,680	1.0%	1.0%	-1.07%	10.86%	23.61%	N/A	N/A
Total Large Cap - Active	101,150,724	7.1%	7.0%	-2.57%	103,738,842	7.2%	7.0%	1.49%	102,037,670	7.2%	7.0%	11.63%	77,662,885	5.9%	6.0%	-1.41%	8.84%	25.11%	-0.79%	1.76%
MSCI EAFE - 50% Hedged				-2.47%				1.71%				11.11%				-0.72%	9.43%	26.98%	-1.27%	-1.15%
Small Cap - Active																				
Lazard	15,076,184	1.1%	1.0%	-3.34%	15,592,755	1.1%	1.0%	3.98%	14,979,685	1.1%	1.0%	16.15%	14,085,757	1.1%	1.0%	0.76%	17.62%	44.40%	N/A	N/A
Wellington	14,780,756	1.0%	1.0%	-3.15%	15,258,750	1.1%	1.0%	3.96%	14,664,511	1.0%	1.0%	13.12%	12,921,174	1.0%	1.0%	-4.63%	8.62%	42.26%	N/A	N/A
Total Small Cap - Active	29,856,940	2.1%	2.0%	-3.25%	30,851,505	2.1%	2.0%	3.97%	29,644,196	2.1%	2.0%	14.63%	27,006,931	2.1%	2.0%	-1.92%	13.10%	43.25%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-2.20%				4.58%				16.82%				-0.82%	18.49%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	146,168,379	10.3%	10.0%	-2.68%	150,105,338	10.4%	10.0%	1.82%	147,219,713	10.4%	10.0%	11.66%	131,475,481	10.0%	10.0%	-1.47%	9.01%	29.19%	2.00%	1.63%
MSCI EAFE - 50% Hedged				-2.47%				1.71%				11.11%				-0.72%	9.43%	26.98%	-1.27%	-1.15%
EMERGING MARKETS EQUITY																				
Capital Guardian																				
MSCI Emerging Markets Free	77,216,713	5.4%	5.0%	-1.82%	78,649,206	5.4%	5.0%	2.06%	77,057,547	5.4%	5.0%	15.37%	66,748,065	5.1%	5.0%	7.64%	24.44%	27.91%	8.93%	2.83%
				-2.67%				1.94%				17.27%				8.25%	25.96%	33.50%	13.09%	3.25%
DOMESTIC FIXED INCOME																				
Core Bond																				
Western Asset	42,505,145	3.0%	2.8%	1.11%	41,822,267	2.9%	2.9%	-0.85%	33,256,225	2.4%	2.5%	1.25%	32,846,945	2.5%	2.4%	3.67%	5.23%	2.02%	8.00%	8.39%
Lehman Aggregate				1.35%				-0.48%				0.96%				3.20%	5.09%	0.32%	6.35%	6.95%
Active Duration																				
WestAM (Criterion)	28,753	0.0%	0.0%	N/A	111,706	0.0%	0.0%	-3.95%	32,797,675	2.3%	2.5%	1.06%	32,455,709	2.5%	2.4%	2.75%	N/A	-0.25%	5.14%	6.43%
Lehman Aggregate				0.00%				-0.48%				0.96%				3.20%	3.68%	0.32%	6.35%	6.95%
Index																				
Bank of ND	65,316,920	4.6%	4.5%	1.63%	62,033,912	4.3%	4.5%	-0.50%	55,401,290	3.9%	4.5%	0.70%	54,841,820	4.2%	4.4%	3.46%	5.34%	-1.03%	6.88%	7.04%
Bank of ND Match Loan CD Program	21,036,394	1.5%	1.5%	0.41%	20,949,588	1.5%	1.5%	1.25%	21,750,641	1.5%	1.5%	1.26%	21,639,059	1.6%	1.6%	1.21%	4.20%	5.08%	5.57%	5.70%
Total Index	86,353,314	6.1%	6.0%	1.30%	82,983,501	5.7%	6.0%	-0.01%	77,151,931	5.5%	6.0%	0.87%	76,480,879	5.8%	6.0%	3.05%	5.29%	0.23%	6.79%	6.83%
Lehman Gov/Credit				1.50%				-0.67%				0.80%				3.56%	5.24%	-0.72%	6.73%	7.10%
Convertibles																				
TCW	27,953,216	2.0%	1.8%	-3.96%	29,016,190	2.0%	1.9%	-4.18%	34,615,916	2.4%	2.5%	8.54%	31,900,431	2.4%	2.4%	-3.94%	-4.05%	16.74%	0.51%	3.89%
Merrill Lynch All Convertibles				-3.64%				-5.27%				5.37%				-1.05%	-4.83%	14.44%	4.95%	5.78%

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	April-05				March-05				December-04				September-04				Current	Prior Year	3 Years	5 Years
	Allocation		Month	Net ROR	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR	Net ROR	Net ROR	Ended 6/30/2004 Net	Ended 6/30/2004 Net
	Market Value	Actual	Policy		Market Value	Actual	Policy		Market Value	Actual	Policy		Market Value	Actual	Policy					
<b>BBB Average Quality</b>																				
<b>Wells Capital (formerly Strong)</b>	42,706,295	3.0%	2.8%	1.21%	42,033,452	2.9%	2.9%	-0.70%	33,418,092	2.4%	2.5%	3.94%	32,084,003	2.4%	2.4%	4.62%	9.28%	1.29%	6.26%	7.23%
<i>Lehman BBB</i>				0.94%				-1.57%				1.69%				4.76%	5.84%	1.23%	8.23%	6.60%
<b>Timberland</b>																				
RMK	40,378,764	2.8%	2.8%	-2.43%	41,179,794	2.9%	2.9%	-0.21%	40,962,734	2.9%	2.9%	8.02%	38,262,677	2.9%	2.9%	3.86%	9.23%	10.46%	N/A	N/A
TIR	111,346,092	7.8%	7.8%	1.82%	108,817,610	7.5%	7.5%	48.49%	73,151,431	5.2%	5.2%	0.43%	73,069,727	5.6%	5.6%	N/A	N/A	N/A	N/A	N/A
<b>Total Timberland</b>	151,724,856	10.7%	10.7%	0.66%	149,997,404	10.4%	10.4%	31.16%	114,114,165	8.1%	8.1%	3.04%	111,332,404	8.5%	8.5%	3.86%	41.28%	10.46%	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	351,271,580	24.7%	24.0%	0.59%	345,964,520	24.0%	24.0%	9.94%	325,354,003	23.0%	24.0%	2.69%	317,100,371	24.2%	24.0%	2.69%	16.62%	5.08%	6.35%	7.34%
<i>Lehman Aggregate</i>				1.35%				-0.48%				0.96%				3.20%	5.09%	0.32%	6.35%	6.95%
<b>HIGH YIELD BONDS</b>																				
<b>Loomis Sayles</b>	35,452,585	2.5%	2.5%	-1.40%	35,939,253	2.5%	2.5%	-1.32%	36,423,318	2.6%	2.5%		33,996,575	2.6%	2.5%		10.74%	N/A	N/A	N/A
<i>Lehman High Yield Cash Pay Index</i>				-0.94%				-1.63%									6.77%	N/A	N/A	N/A
<b>Sutter/Wells Capital</b>	34,438,219	2.4%	2.5%	-1.20%	34,828,846	2.4%	2.5%	-1.35%	35,307,858	2.5%	2.5%		33,962,583	2.6%	2.5%		5.60%	N/A	N/A	N/A
<i>Merrill Lynch High Yield Master II Index</i>				-1.10%				-1.44%									6.63%	N/A	N/A	N/A
<b>TOTAL HIGH YIELD BONDS</b>	69,890,803	4.9%	5.0%	-1.30%	70,768,100	4.9%	5.0%	-1.34%	71,731,176	5.1%	5.0%		67,959,158	5.2%	5.0%		8.15%	7.69%	6.68%	2.79%
<i>Lehman High Yield Bond Index</i>				-0.97%				-1.61%									6.83%	10.33%	9.30%	4.78%
<b>INTERNATIONAL FIXED INCOME</b>																				
<b>International Sovereign</b>																				
<b>UBS Global (Brinson)</b>	34,797,075	2.4%	2.5%	1.37%	34,318,257	2.4%	2.5%	-3.31%	35,444,859	2.5%	2.5%	10.41%	31,745,541	2.4%	2.5%	3.06%	11.52%	7.86%	14.20%	6.47%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				1.42%				-3.10%				10.63%				3.29%	12.30%	7.59%	13.65%	6.84%
<b>International Core</b>																				
<b>Brandywine</b>	34,506,741	2.4%	2.5%	0.34%	34,416,657	2.4%	2.5%	-3.20%	35,468,468	2.5%	2.5%	9.22%	32,681,900	2.5%	2.5%	4.74%	11.11%	9.65%	N/A	N/A
<i>Lehman Global Aggregate (ex-US)</i>				1.27%				-3.01%				10.66%				3.49%	12.48%	5.20%	N/A	N/A
<b>TOTAL INTERNATIONAL FIXED INCOME</b>	69,303,817	4.9%	5.0%	0.85%	68,734,914	4.8%	5.0%	-3.26%	70,913,327	5.0%	5.0%	9.81%	64,427,440	4.9%	5.0%	3.90%	11.32%	8.78%	14.41%	6.59%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				1.42%				-3.10%				10.63%				3.29%	12.30%	7.59%	13.65%	6.84%
<b>REAL ESTATE</b>																				
JMB	-			N/A	-			N/A	-			-86.10%	10,054			16.49%	N/A	1.45%	-5.90%	-3.04%
INVESTCO	36,993,950			0.00%	36,999,490			4.64%	28,248,117			-0.43%	27,191,276			-5.91%	-1.97%	6.72%	5.80%	7.59%
J.P. Morgan	36,585,267			3.06%	35,505,452			7.08%	36,463,461			2.85%	35,451,816			3.83%	17.85%	11.11%	7.63%	9.54%
<b>TOTAL REAL ESTATE</b>	73,579,217	5.2%	5.0%	1.50%	72,504,943	5.0%	5.0%	5.81%	64,711,578	4.6%	5.0%	1.27%	62,653,146	4.8%	5.0%	-0.88%	7.81%	8.87%	6.70%	8.55%
<i>NCREIF TOTAL INDEX</i>				1.16%				3.51%				4.66%				3.42%	13.33%	10.82%	8.40%	9.33%
<b>ALTERNATIVE INVESTMENTS</b>																				
Brinson IVCF II	170,179			0.00%	170,179			0.00%	170,179			0.49%	169,353			0.40%	0.89%	19.39%	-7.72%	4.43%
Coral Partners II	123,675			0.00%	122,330			0.45%	121,653			-0.07%	120,310			-0.35%	0.03%	14.14%	-16.27%	-15.91%
Coral Partners V	4,449,104			0.00%	5,226,418			-6.15%	5,605,166			-4.59%	5,897,185			6.37%	-4.75%	-31.07%	-34.06%	-13.63%
Coral Partners V - Supplemental	586,951			0.00%	683,271			3.00%	661,975			2.90%	701,331			2.37%	8.50%	30.44%	N/A	N/A
Coral Partners VI	4,273,962			0.00%	4,322,127			2.42%	3,611,394			-2.08%	3,813,950			-0.28%	0.01%	-21.72%	N/A	N/A
Brinson 1998 Partnership Fund	1,424,562			0.00%	1,423,673			13.33%	1,415,402			-0.98%	1,687,069			3.37%	16.00%	9.41%	-7.52%	3.66%
Brinson 1999 Partnership Fund	2,828,328			0.00%	2,826,562			9.51%	2,575,629			2.80%	2,515,067			0.48%	13.11%	14.66%	-9.09%	-1.33%
Brinson 2000 Partnership Fund	5,072,526			0.00%	5,069,360			8.48%	4,794,194			3.30%	4,658,652			3.01%	15.43%	11.19%	-6.65%	N/A
Brinson 2001 Partnership Fund	3,362,967			0.00%	2,654,959			3.41%	2,562,002			1.05%	2,104,781			0.81%	5.34%	6.64%	-2.03%	N/A
Brinson 2002 Partnership Fund	1,684,121			0.00%	1,683,070			4.15%	1,612,558			-4.00%	1,184,946			-4.97%	-4.98%	14.42%	N/A	N/A
Brinson 2003 Partnership Fund	366,852			0.00%	366,623			2.31%	255,646			2.02%	158,669			-2.71%	1.55%	-4.63%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,442,269			0.00%	1,209,911			0.00%	1,463,105			7.91%	1,453,381			5.73%	14.09%	21.09%	8.14%	4.24%
Brinson 2000 Non-US Partnership Fund	1,829,563			0.00%	1,672,677			0.00%	1,669,108			2.89%	1,772,133			3.24%	6.22%	15.38%	5.71%	N/A
Brinson 2001 Non-US Partnership Fund	1,425,808			0.00%	1,260,832			0.00%	1,258,142			-1.63%	1,082,438			0.86%	-0.79%	16.63%	3.39%	N/A
Brinson 2002 Non-US Partnership Fund	2,649,478			0.00%	2,446,626			-1.16%	2,059,600			6.60%	1,765,806			0.27%	5.65%	18.67%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	958,261			0.00%	912,987			1.17%	554,208			-0.78%	381,594			-0.12%	0.26%	-3.93%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	147,641			0.00%	146,405			0.00%	72,432			-1.76%	74,010			0.09%	-1.67%	N/A	N/A	N/A
Brinson BVCF IV	7,709,310			0.00%	7,704,497			2.69%	7,486,656			-0.88%	8,328,279			6.66%	8.56%	21.17%	-9.85%	-10.01%
Matlin Patterson Global Opportunities	8,171,981			0.00%	9,495,398			96.76%	5,585,887			4.11%	8,162,327			-3.26%	98.18%	13.00%	N/A	N/A
Matlin Patterson Global Opportunities II	4,099,044			0.00%	3,505,807			0.00%	4,298,626			-1.12%	-			N/A	N/A	N/A	N/A	N/A
InvestAmerica	1,874,118			0.00%	1,872,948			0.00%	1,868,953			0.00%	1,876,070			17.28%	-7.73%	N/A	N/A	N/A
Hearthstone MSII	369,892			0.00%	0			0.00%	0			536.18%	213,768			106.69%	N/A	28.64%	20.32%	N/A
Hearthstone MSIII	9,770,520			0.00%	8,541,321			7.20%	9,777,218			1.26%	9,692,693			-0.08%	8.46%	N/A	N/A	N/A
<b>TOTAL ALTERNATIVE INVESTMENTS (3)</b>	64,791,111	4.6%	5.0%	0.00%	63,317,983	4.4%	5.0%	11.73%	59,479,735	4.2%	5.0%	2.55%	57,813,811	4.4%	5.0%	2.90%	17.91%	3.23%	-12.85%	-1.69%
<b>CASH EQUIVALENTS</b>																				
<b>Northern Trust STIF/STEP</b>	11,753,862	0.8%	1.0%	0.14%	18,081,719	1.3%	1.0%	0.49%	15,471,006	1.1%	1.0%	0.45%	17,787,580	1.4%	1.0%	0.44%	1.52%	1.44%	1.86%	3.48%
<i>90 Day T-Bill</i>				0.22%				0.57%				0.48%				0.37%	1.65%	0.98%	1.71%	3.29%
<b>TOTAL FUND</b>	1,423,186,617	100.0%	100.0%	-1.35%	1,444,194,531	100.0%	100.0%	2.23%	1,415,099,829	100.0%	100.0%	7.85%	1,311,913,079	100.0%	100.0%	0.50%	9.31%	16.66%	4.65%	3.78%
<b>POLICY TARGET BENCHMARK</b>				-1.11%				-0.47%				7.46%				0.99%	6.81%	14.79%	4.29%	3.62%

**NOTE: Monthly returns and market values are preliminary and subject to change.**

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(3) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.